

# Committee on Resources

## Subcommittee on National Parks & Public Lands

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### Testimony

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**STATEMENT BY DERRICK CRANDALL,  
PRESIDENT, AMERICAN RECREATION COALITION, ON IMPLEMENTATION OF  
THE RECREATION FEES DEMONSTRATION PROGRAM, PRESENTED TO THE  
U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON RESOURCES,  
SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS,  
FEBRUARY 26, 1998.**

Mr. Chairman and distinguished Members, I am Derrick Crandall and I serve as President of the American Recreation Coalition (ARC). ARC is a national federation of more than 100 national organizations actively involved in meeting the recreation needs of Americans. Our members produce recreational products ranging from canoes to motorhomes to tents, provide services ranging from campsites to downhill skiing and represent the interests of tens of millions of us belonging to individual membership groups such as the Good Sam Club, BOAT/U.S. and the National Off-Road Bicycle Association.

Recreation fees on public lands were one of the issues which prompted the creation of the American Recreation Coalition in 1979. As we have said to this subcommittee several times before, the recreation community enjoys free lunches just as much as any other interest group, but we have come to understand that it is hard to demand a great menu and top food when you aren't paying. And we certainly understand that recreation on federal lands really isn't a free lunch: the costs have simply been borne by general taxes, not user fees. Beginning in the early 1980's, we came to understand that during periods of financial pressure on the federal government, recreation programs were as much in jeopardy as other "nice" federal endeavors. And by 1982, the consequences were becoming clear. Campgrounds in our national forests were opening later and closing earlier -- frustrating millions who sought to use their lands during shoulder seasons, but found only locked gates. We saw declines in the numbers of interpretive efforts underway -- the ranger walks and campfire talks that have left indelible impressions on me and tens of millions of others. We saw recreationists and federal officials alike frustrated that no budgets were available to create facilities for, and to administer, such newly popular recreational activities as mountain biking and personal watercraft use, Nordic skiing and more.

That is why we took an active part in the national debate on fees catalyzed by the President's Commission on Americans Outdoors (PCAO) from 1985 to 1987. We heard loudly and clearly that Americans across the country were willing to pay reasonable fees for quality recreation opportunities -- just as they are willing to pay reasonable costs for quality sleeping bags and boats. Again and again, though, we heard that the agencies had little incentive to charge higher recreation fees, since the fees disappeared into a variety of special accounts and the black hole of the U.S. Treasury. We agreed when the PCAO called for more reliance -- but not complete reliance -- upon the direct beneficiaries of federal recreation facilities and services to ensure that our national parks, national forests, wildlife refuges and public lands remain hosts to outstanding recreation experiences.

We appreciate the leadership of this Subcommittee in responding to this important issue. Although the

recreation fee demonstration program was created by actions of the Appropriations Committee, its design work was done here and came as an outgrowth of your hearings on fees in 1995 and the discussions that surrounded the Chairman's introduction of HR 2107.

We believe that the fee demo program which resulted is a laudable and successful experiment. The report to the Congress on the first full year of the fee demonstration program displays the range of new approaches which together are increasing recreation program budgets of four key agencies by some \$150 million this year. We are gathering information about mechanisms that are permanent cures for, not bandages hiding, the ills that have boosted our backlog on federal lands well above ten billion dollars. For the first time, key agency personnel on the ground are able to answer a visitor's question about where the fees they pay actually go.

The American Recreation Coalition supports federal recreation fee programs where:

*the fees are equitable, and aimed at recovering costs where the services and facilities provided represent significant costs to American taxpayers;*

*the fee system is efficient, costing the least amount practical to administer;*

*the fees are convenient for the recreationist, so that voluntary compliance is readily achievable;*

*the fee system is coherent, flexible and integrated, so that overlapping charges are minimized and federal, state and local fees are integrated where appropriate (such as Sikes Act provisions for hunting and fishing fees on federal lands, collected as a supplement to state licenses, or the Pacific Northwest's winter park program); and*

*the fee revenues are returned to benefit resources, facilities and programs utilized by those paying the fees.*

In general, the implementation of the fee demo program reflects these goals. We are excited about the use of the fee demonstration program to provide the funds needed to preserve lookout towers -- an exciting success story recently highlighted in the **Washington Post** -- to new interpretation services on the Pike, Arapaho and Roosevelt National Forests for families seeking to cut Christmas trees. We are also pleased by some of the "big picture" experiments which have begun, including the Enterprise Forest Adventure Pass for four southern California national forests and the Pacific Northwest's regional trail pass.

We feel that effective fee programs will help federal agencies become more customer-focused -- which is hard to accomplish when 95% or more of your budget is determined within the Washington beltway a year in advance. And we are proud to say the American Recreation Coalition and the Recreation Roundtable -- a related group of recreation-industry CEO's -- have invested heavily in staff and member time in helping the federal agencies covered by the fee demonstration program with project-level and national support and advice on sound fee programs. We have arranged for top marketing and communications executives from Disney, REI and other companies to work with the Enterprise Forest fee team in the design and implementation of that project; we have assisted more than a dozen additional Forest Service fee sites with specific communications efforts, enabling them to reach the general public and likely visitors with fee program information prior to arrival. We have worked with National Park Service staff in Washington to outline new and innovative approaches on fees, some of which I'll address momentarily.

We also give our warm thanks to the Congress and the Administration for upholding a commitment to

making the fee demonstration receipts supplemental to the general appropriations for federal recreation programs of the four agencies.

However, we cannot appear today in total praise of the program, nor can we offer our support for moving immediately into a new and permanent fee program. Our reasons are two-fold. First, there have been concerns about specific fee demonstration projects expressed by our members, particularly recreation businesses operating in forests as permittees and concessioners. Some of the concerns reflect poor communications but others may reflect deeper issues, including the need for a better definition of the Forest Service's role in recreation. Second, while we have seen some outstanding innovation by the agencies, far more ideas and approaches can and should be tested -- from new technologies that minimize cash collections at remote sites to national passes and stamps that are more convenient to visitors, avoiding a growing criticism of "nickel and dime charges."

Let me elaborate on the concerns raised with specific fee projects. They fall within three categories. One involves an inequity in fee collections and the belief that those enjoying the services of outfitters, guides and other commercial services end up paying more, and more consistently. In most cases, these visitors are already assessed a fee under the permit of the commercial services provider. The new fee demo charges come on top of this base fee yet are the only fees paid by non-served visitors. In addition, the commercial service provider can be held accountable for compliance with the fee collection requirement, making commercially-served visitors universally assessed. In contrast, non-served visitors are subject to the agencies' own enforcement activities -- and in some cases are likely to avoid any fee with little or no risk.

The second concern involves use of the new fee demo authority in ways which undercut and jeopardize the operations of commercial providers on public lands. The ability to levy new charges and to retain at least 80% of all receipts has sparked entrepreneurial fires within some agency officials at the grassroots level -- and that is largely good. Yet without much business experience and limited financial analysis tools, the fee demo option can blind some of these individuals to long-term benefits of working in partnership with concessioners and permittees. It would not be desirable, for example, for the Forest Service to attempt to operate a ski area even if it could retain all lift ticket receipts under fee demo. Similarly, we doubt the wisdom of returning a substantial number of campgrounds now under concession management to direct Forest Service operation.

The third concern involves coordination of fees on federal lands with those charged by states and counties -- or even by other federal agencies. In many states, Forest Service and BLM trail programs receive substantial annual payments from state agencies, utilizing funds collected through ORV vehicle registration programs and on fuel used in off-highway recreation activities. Before new federal fees -- for parking at trailheads, for example -- are imposed on those who are already paying the state fees, others who are not currently contributing to recreation facilities and programs on federal lands need to be assessed.

These concerns are a predictable result of a new tool being provided to federal officials who are very hard-pressed to meet growing and changing demands for recreation. In some cases, the fee demo program is viewed as a universal wrench able to fix all problems -- and it is not. The fee demo program -- and the permanent fee program we hope to see follow it eventually -- need to be viewed as merely one of a variety of tools which, with training in use, can keep federal recreation programs in good working order. It is for this reason that ARC strongly encourages the four federal agencies to develop recreation strategies identifying overall goals as well as the full array of tools available to achieve those goals. In addition to fees and general appropriations, the following additional tools need to be used skillfully by federal recreation programs:

volunteer efforts;

funding from ISTEA and its successors for scenic byways, trails and other road-related needs;

partnerships with the private sector to invest in, as well as operate, needed recreation facilities;

partnerships with state and local agencies in areas ranging from facility development and operation to funding for trails, wildlife, boating and fishing and more;

corporate support through sponsorships and other devices; and

non-profit organizations ranging from "friends" groups to specialized resource managers (land trusts, for example, and Ducks Unlimited).

We are unenthused about providing permanent fee authority for the four agencies now covered by the fee demonstration program, or those such as the U.S. Army Corps of Engineers and the Bureau of Reclamation which also need new fee guidance, until we have the benefit of at least two more years of the demonstration program *and* these new recreation strategies in place. We are optimistic that the strategies will be developed soon for at least two of the agencies: the Forest Service and the BLM.

There is a second important reason we believe the fee demonstration program deserves additional time. We believe that much of the experimentation and learning available to the agencies from the program is not yet even underway.

In our testimony before this committee in 1995, we outlined a variety of ideas we hoped would be tested by the agencies. The National Park Service, especially, is an important laboratory for this learning. While the fee demo program has produced substantial new receipts for that agency with minor levels of complaints from the public, most of the revenue has been generated from increases in already-existing entrance fees. The agency can and should also consider:

use of differential pricing between peak and non-peak periods of the year, to encourage shifts of visitations to periods of the year with the capacity to host visitors with minimal social and environmental consequences;

linkages among parks, especially those with clear revenue-generating capability and those without. One way to do this would be to allow volunteers at non-fee sites to earn access to fee sites (for example, through a link between the National Capital Region's sites and Shenandoah National Park);

experimentation with free access days to ensure that no American is "priced out" of enjoyment of this wonderful shared legacy of the outdoors;

encouragement of certain types of activities on federal lands. For example, participation in interpretation programs might rise if attendance were rewarded with free or discounted re-entry to the area; and

a "hero pass," priced well above annual passes (and even the Golden Eagle passport) that allows supporters to demonstrate their emotional link to the parks.

In addition, we believe that the Forest Service must seriously consider the creation of a national pass for the

convenience of its visitors. We understand the concerns expressed by some that a national pass -- a "Golden Smokey" -- would reduce the link between fees and visible local use of the fees. Yet an excellent suggestion worthy of further study arose last week at a meeting of Forest Service fee demonstration site managers: continue to focus sales efforts on annual local passes, but allow purchasers to "upgrade" such passes with a \$25-30 supplemental fee to a national pass.

The meeting produced other useful ideas and comments, too, and demonstrated the importance of sharing experiences among the fee site managers. We learned that some sites require private partners which sell the daily and annual passes to pre-purchase the passes, while others permit pass consignment. The pre-purchase requirement encourages partners to minimize inventories and some ran out of passes during heavy visitation periods -- leaving forest visitors unhappy and unintentional fee program violators. The group also talked at length about using fee demo receipts to develop cooperative agreements with counties and other government agencies in the fields of law enforcement, emergency services, roads and other vital visitor needs.

Substantial discussions also occurred regarding compliance with fees other than entrance fees. The agency is investing substantial resources in education efforts to encourage compliance and several outstanding examples of "fix-it" tickets and violation follow-up efforts were shared. An important legacy of the fee demonstration program will be a better basis for predicting compliance percentages -- and thus revenues -- than we now have. We were encouraged to learn that messages with envelopes left on 10,000 vehicles parked at Enterprise forest sites without passes generated 5,400 prompt payments, including 30% purchasing annual passes. Additional follow up brought compliance levels up further -- still without reliance upon the \$100 fine provided for in the fee demonstration program enabling legislation.

We applaud the Forest Service for catalyzing these discussions and look forward to providing continuing assistance from the recreation industry to the fee site managers.

We urge the Committee on Resources to enact authorizing legislation for a new and slightly redirected fee demonstration effort, extending its duration through Fiscal Year 2002. We are pleased to learn that the Senate Committee on Energy and Natural Resources appears poised to take similar action through legislation introduced this week by Senator Craig Thomas. Key changes in the program should include:

- a prohibition on use of the authority to "replace, disrupt or jeopardize the provision of public recreation services on federal lands by permittees and concessioners";

- new direction on the types of fee strategies to be tested during the demonstration period, including peak/off-peak pricing, strategies to encourage volunteerism and free access periods;

- a provision for a modest growth in the number of sites permitted under the program;

- a refocusing of use of the receipts, restricting them to projects at the collection site: enhancing interpretation, signage, visitor facilities and law enforcement relating to public use; operations and maintenance of facilities serving visitors; and backlogged repairs to facilities serving the public; and specifically allowing inclusion of special use permits as fee demonstration projects.

We thank you for your interest and for your willingness to address the recreation fees issue comprehensively.

**Derrick Crandall, President**

**American Recreation Coalition**  
**1225 New York Avenue, NW Suite 450**  
**Washington, D.C. 20005**  
**202-682-9530 FAX 202-682-9529**

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